BEFORE THE WESTERN WASHINGTON GROWTH MANAGEMENT HEARINGS BOA	BFF(RF	THE WES	STERN	WASHIN	JGTON	GROWTH	H MANA(3FMFNT	HEARINGS	BOAL	RD
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Adams Cove Group, and Futurewise,

Petitioners.

Case No. 07-2-0005

FINAL DECISION AND ORDER

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Thurston County,

Respondent.

I. SYNOPSIS OF DECISION

In this Order the Board finds that based on its limited and generally positive comments regarding the Yelm/Thurston County joint plan amendments, Adams Cove Group lacks participation standing to bring this appeal and it is dismissed as a party.

The Board again rejects Thurston County and Yelm's argument that this appeal is untimely because Petitioner failed to challenge the 1994 establishment of the Yelm UGA. The Board reaffirms its earlier holding that when the County chose to amend the population allocations for the Yelm UGA it necessarily raised the issue of whether the UGA was properly sized and therefore Petitioner may challenge the size of the Yelm UGA in this appeal.

The Board finds that although its earlier Order Finding Compliance (UGAs) in *1000 Friends* of Washington v. Thurston County, Case No. 05-2-0002 found Thurston County's amendments to its plan and zoning ordinance adopted by Resolution No. 14034 and Ordinance No. 14035 complied with RCW 36.70A.110, it does not preclude the present appeal. The present appeal challenges a plan that was not amended to comply with the County's action in adopting Resolution 14034 and Ordinance 14035. The Board's task in

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this appeal is to determine whether, on the record created for the adoption of Resolution 13734, the Yelm/Thurston County Joint Plan complies with the GMA.

The Board finds that the Joint Plan approved by Resolution 13734 permitted land supplies 97% in excess of residential needs, 116% in excess of commercial needs, and 1040% in excess of industrial needs. The Board finds nothing in the record that demonstrates this supply of land is necessary to accommodate projected growth and is likely to lead to the inappropriate conversion of undeveloped land into sprawling, low-density development in violation of RCW 36.70A.020(2). In addition, an improperly sized UGA, especially one in excess of the projected need, violates RCW 36.70A.110 which requires UGAs to be sufficient to accommodate 20 years of growth at urban levels.

On the other hand, the Board finds that Futurewise has failed to demonstrate that the County violated RCW 36.70A.115. RCW 36.70A.115 is not merely a restatement of 36.70A.110. This provision of the GMA seeks regional coordination, which the Yelm/Thurston County Joint Plan reflects.

Futurewise has failed to demonstrate that Resolution 13734 violates RCW 36.70A.130(1)(a). No language in Resolution 13734 suggests this enactment was a seven year update to a comprehensive plan under that provision of the GMA.

The Board finds that Futurewise has failed to carry its burden to prove a violation of RCW 36.70A.020 (1), (8), (9), (10) or (12). In addition Futurewise has not demonstrated a violation of RCW 36.70A.040(3)(c) or RCW 36.70A.070(1).

II. PROCEDURAL HISTORY

On December 20, 2006, Thurston County adopted Resolution 13734, amending the Comprehensive Plan for Thurston County and the Yelm/Thurston County Joint Plan.

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On February 16, 2007, Petitioners filed a timely appeal. The Board conducted a Prehearing Conference on March 22, 2007, and issued the Prehearing Order on March 23, 2007.

On May 24, 2007 the Board heard the County's Motion to Dismiss the Petition for Review. An order denying that motion was issued on June 4, 2007.

The Board granted joint requests for extension of the case schedule on June 7, August 14, December 5, 2007, and February 27, 2008.

On July 2, 2008, the Hearing on the Merits (HOM) was conducted at the Board's offices in Olympia. Adams Cove and Futurewise were represented by Tim Trohimovich. Thurston County was represented by Jeffery Fancher. The City of Yelm was represented by Brent Dille. Board members Holly Gadbaw, William Roehl, and James McNamara were present. James McNamara presided.

III. BURDEN OF PROOF

For purposes of Board review of the comprehensive plans and development regulations adopted by local government, the GMA establishes three major precepts: a presumption of validity; a "clearly erroneous" standard of review; and a requirement of deference to the decisions of local government.

Pursuant to RCW 36.70A.320(1), comprehensive plans, development regulations and amendments to them are presumed valid upon adoption:

Except as provided in subsection (5) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.

RCW 36.70A.320(1).

The GMA further provides that the standard of review shall be whether the challenged enactments are clearly erroneous:

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The Board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.

RCW 36.70A.320(3)

In order to find the County's action clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been made." *Department of Ecology v. PUD1*, 121 Wn.2d 179, 201, 849 P.2d 646 (1993).

Within the framework of state goals and requirements, the boards must grant deference to local government in how they plan for growth: In recognition of the broad range of discretion that may be exercised by counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter, the legislature intends for the boards to grant deference to the counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter. Local comprehensive plans and development regulations require counties and cities to balance priorities and options for action in full consideration of local circumstances. The legislature finds that while this chapter requires local planning to take place within a framework of state goals and requirements, the ultimate burden and responsibility for planning, harmonizing the planning goals of this chapter, and implementing a county's or city's future rests with that community.

RCW 36.70A.3201 (in part).

In sum, the burden is on the Petitioners to overcome the presumption of validity and demonstrate that any action taken by the local government is clearly erroneous in light of the goals and requirements of Ch. 36.70A RCW (the Growth Management Act). RCW 36.70A.320(2). Where not clearly erroneous and thus within the framework of state goals and requirements, the planning choices of local government must be granted deference.

IV. ISSUES PRESENTED

- Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with RCW 36.70A.020 (1-2, 8-10, 12)?
- 2. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.040?

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- 3. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.070(1)?
- 4. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.110 (1) and (2)?
- 5. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.115?
- 6. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.120?
- 7. Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.130 (1)(a)?

V. DISCUSSION

On December 20, 2006, Thurston County adopted Resolution 13734 which, specific to this matter, amended the Yelm/Thurston County Joint Plan. Amendments included the most recent 20-year population projection and updated information based on the 2000 Census and Thurston County Regional Planning Council's Buildable Lands Report for commercial, industrial, and commercial lands. Petitioners challenge this action asserting primarily that the size of the Yelm UGA exceeds the project demand for urban lands over the course of the 20-year planning horizon.

Position of the Parties

Futurewise

Issue 1

Futurewise notes that the OFM population projections limit the size of urban growth areas (UGAs). It argues that including too much land within the Yelm UGA violates goals 1 and 2 of the Growth Management Act (GMA) because urban growth is not being channeled into areas already served by infrastructure, but instead will lead to the conversion of urban land

into sprawling, low-density development outside of areas served by infrastructure.¹ Futurewise also argues that Yelm's oversized UGA violates goal 10 of the GMA by putting Puget Sound and oyster beds at risk by allowing development in an excessively large urban area, increasing storm water runoff.²

Issue 2

Futurewise further notes that RCW 36.70A.040(3)(c) requires the County to designate and take other actions related to UGAs under RCW 36.70A.110. It contends that RCW 36.70A.110 limits the size of the UGA to land necessary to accommodate the OFM population projection selected by the county and, if used, a reasonable market factor. Futurewise argues that the Yelm Comprehensive Plan Update (Update) includes a UGA that is dramatically larger than needed to accommodate the new OFM population projection. While asserting that the Yelm Comprehensive Plan Update does not include a market factor, Futurewise argues that if the excesses of capacity over demand *were* treated as market factors, they are excessive, and therefore the Update violates RCW 36.70A.040(3)(c).

Issue 3

Futurewise also argues that RCW 36.70A.070(1) requires that the land use element provide guidance for corrective actions to mitigate or clean discharges that pollute the waters of the state, including the Puget Sound. Futurewise asserts that the excessively large urban growth area will harm the waters of the state, including the Puget Sound and that the Land Use Element of the Yelm comprehensive plan update fails to provide the necessary guidance or to right size the UGA in violation of the GMA.⁴

Issue 4

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¹ Futurewise's Prehearing Brief at 9-10.

² Id. at 10.

³ ld. at11.

⁴ Id. at 11-12. FINAL DECISION AND ORDER Case No. 07-2-0005 July 28, 2008 Page 6 of 26

Futurewise notes that the OFM projection places a cap on the land a county may allocate to UGAs, and that a market supply factor may be used in sizing the UGA. In this case, Futurewise notes, neither the Yelm nor the Thurston County UGA included a market factor. Futurewise points out that the County hired a team of economists and planners to review the Thurston Regional Planning Council's Buildable Lands Model and they concluded that a market factor of no more than 10% should be used for vacant lands and a market factor of no more than 15% should be used for underutilized lands. Futurewise points out that the excess residential, commercial and industrial capacity in the Yelm UGA substantially exceeds these recommendations, demonstrating that the UGA has more capacity than needed to accommodate planned growth.⁵

Issue 5

Futurewise next points out that RCW 36.70A.115 limits the UGA to the land needed to accommodate the population projection chosen from the OFM range. It asserts that since the Yelm UGA exceeds that limit, it is in violation of that statute.⁶

Issue 6

Futurewise abandons Issue 6.

Issue 7

Futurewise points out that Resolution 13734 is an update under RCW 36.70A.130 and that RCW 36.70A.130(1)(a) requires that the County, during the update process ensure its plan is in compliance with the GMA. Futurewise asserts that this provision was violated because the County did not "right size" the Yelm UGA.⁷

Relationship to Case No. 05-2-0002

⁵ Id. at 14. ⁶ Id..

⁷ld. at 15.

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Finally, Futurewise argues that any finding of compliance in Case No. 05-2-0002, or another case, that did not include the same population projection or the same horizon year for the comprehensive plan, or that included a different market factor, is inapplicable to this case. It argues that this Board has held that a finding of compliance does not prevent a petitioner from raising new arguments as part of a separate petition for review. It notes that none of the arguments made in this case were made in the compliance phase of Case No. 05-2-0002 and therefore they can make these arguments in the present case.

Thurston County's Position

In its response, Thurston County and Intervenor City of Yelm (hereafter "the County and Yelm") raised three issues.⁹ First, that Adams Cove Group should be dismissed as a participant for lack of standing. Second, that the Petition should be dismissed as untimely. Third, that the claims of Petitioners have already been addressed by the Board's May 29, 2008 Order of Compliance regarding the County's UGAs.

With regard to standing, the County and Yelm noted that Adams Cove Group's only participation was via two comment letters, both in support of the County's action, and neither related to the issues presented to the Board.

The County and Yelm assert that the Petition should be dismissed as untimely. They point out that Resolution 13734, amending the Yelm/Thurston County Joint Plan ("Joint Plan") was adopted on December 20, 2006. While a Petition for Review was filed on February 16, 2007, the County and Yelm assert that the Joint Plan did not amend, or even consider, the Yelm UGA as part of the 2006 annual amendment process. Consequently, the County and Yelm argue that Petitioners ought to have challenged the Yelm UGA in 1994 when it was

⁹ Joint Prehearing Brief of Thurston County and the City of Yelm. FINAL DECISION AND ORDER Case No. 07-2-0005 July 28, 2008 Page 8 of 26

⁸ Id. at 16.

established. They point out the County's seven and ten year updates were adopted in 2004 and the subject of appeal in Case No. 05-2-0002.

Finally, the County and Yelm argue that this Board has already found, in Case No. 05-2-0002, that the Yelm UGA is properly sized. They note that Futurewise has acknowledged in the June 5, 2007 Joint Motion for Extension of Case Schedule and its April 18, 2007 Response to Motion to Dismiss that the decision in Case No. 05-2-0002 involved the same issues and if an order finding compliance was found in that case, then the issues in this, the 2007 case, would be resolved.

Futurewise's Reply

In reply, Futurewise notes that the County and Yelm did not address any of its arguments raised in Petitioners' opening brief, but instead challenge Adams Cove Group's standing, the timeliness of Petitioners' appeal and the effect of the compliance order in Case No. 05-2-0002.

With regard to the issue of standing, Petitioners claim that the Adams Cove Group's letter clearly raised concerns about the management of population growth in Yelm.¹⁰ They argue that its concern about the management of population growth is reasonably related to Issues 1-5 and 7, based on arguments it made in its opening brief regarding low density sprawl, the size of the Yelm UGA, effects on water quality, and the need to accommodate growth.

Petitioners also assert that nothing in the GMA requires a party to oppose an enactment in order to appeal it. Thus, Adams Cove Group's statements that the Yelm/Thurston County Joint Plan "look good" does not deprive them of participation standing to appeal provisions of that plan.¹¹

11 Id. at 4.
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¹⁰ Petitioner's Reply Brief at 3.

With regard to the timeliness of their appeal of Resolution 13734, based on the adoption of the UGA in 1994, Petitioners note that this Board has already rejected this argument, and should do so again. 12 It points out that Finding 7 of Resolution No. 13734 states that the Yelm Joint Plan Growth Management Parameters Chapter is updated to include the most recent 20-year population projections, including 2026 figures, and confirms Yelm and its UGA have sufficient area to accommodate projected growth consistent with RCW 36.70A.110(2) -- the very matter challenged here. 13

With regard to the effect of the Board's UGA compliance order in Case No. 05-2-0002, Petitioners assert that order provides no basis for dismissing the present case. Petitioners note that the Yelm Comprehensive Plan Update and its data were not before the Board in Case No. 05-2-0002, nor were the arguments made by Petitioners in their prehearing brief.¹⁴ Petitioners note that data relied on in the present case regarding market factors was not in the record in Case No. 05-2-0002, and it is not clear the Board would approve the Yelm UGA in light of this information.¹⁵

Board Discussion

Prior to addressing the merits of the PFR, the Board must address procedural issues related to standing, timeliness, and the effect of this Board's holding in a related case.

Preliminary Matters

Standing of Adams Cove Group

The County and Yelm challenge the standing of Adams Cove Group, contending that the comments submitted by this Petitioner in regards to the 2006 Comprehensive Plan Update are in no way related to the issues presented to the Board and therefore, Adams Cove does

¹² ld.

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¹³ Id. at 5.

¹⁴ Id. at 7.

¹⁵ Id. at 8.

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not have participation standing. The County points to two letters submitted by Adams Cove, which constituted the extent of its participation in the adoption of the Yelm/Thurston County Joint Plan. Those comments were, in their entirety:

"The Yelm/TC joint plan amendments look good. Population growth in Yelm was not managed well at first – something we can all acknowledge, especially if you happen to live in Yelm – but this is often the case when land rushes and outside interests cause explosive and unexpected land rushes. The proposed plan seems to be making the best of it."

And

"It looks good."17

Petitioners do not appear to dispute that these letters are the limitations of their participation but rather focus on the sentence regarding population growth as evidence that Adams Cove Group raised concerns about the management of population growth in Yelm which is the basis of the issues presented. The Board disagrees. The statements, while brief, were supportive and did not raise any faults in the Plan. The mention of population growth issues clearly refers to *past* practices and does not reflect comments on the proposed plan amendments.

As noted by the Central Board,

"To have meaningful public participation and avoid 'blind-siding' local governments, members of the public must explain their land use planning concerns to local governments in sufficient detail to give the government the opportunity to consider these concerns as it weighs and balances its priorities and options under the GMA." 18

This approach was approved by the Court of Appeals in *Wells v. Western Washington Growth Management Hearings Board* when it held "the Central Puget Sound Growth Management Hearings Board's analysis in the *Alpine v. Kitsap County* case sets the

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Thurston County Response, Attachment A.
 Thurston County Response, Attachment B.

Alpine v. Kitsap County, CPSGMHB No. 98-3-0032c, Order on Dispositive Motions, 10/7/98.
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appropriate standard for determining whether a petitioner has participated with respect to a "matter" before a local government." The Court in Wells continued:

The GMA assumes the local government will have an opportunity to address those concerns before an appeal to the growth management hearings board. This facilitates the county's ultimate planning responsibility and avoids unnecessary appeals. However, it would be unrealistic given the time and resource constraints inherent in the planning process to require each individual petitioner to demonstrate to the growth management hearings board that he or she raised a specific legal issue before the board can consider it. The growth management hearings boards, with their expertise in these matters and their role as finders of fact, are best suited to decide whether, under the facts presented in a particular circumstance, a petitioner has established participation in a "matter." 20

Furthermore, in Wells the Court stated with regard to the Legislature's intent in the use of the word "matter": "We conclude that it intended the word "matter" to refer to a subject or topic of concern or controversy."²¹ Here, Adams Cove Group did not raise any subject or topic of concern in their comments, and did not suggest any controversy.

Adams Cove Group's statements did nothing to apprise the County of any concern that it had with the Yelm/Thurston County Joint Plan that necessitated attention. Instead, the County, City of Yelm, or any official reading those comments would have reasonably concluded Adams Cove Group fully supported its actions. It is simply contrary to the GMA's intent for active public participation for a petitioner to raise no concern whatsoever to a jurisdiction's proposed amendments and then challenge those amendments before the Board. Accordingly, the Board concludes Adams Cove Group lacks participation standing to bring this appeal and it is dismissed as a party.

Timeliness of Petition for Review

¹⁹ 100 Wn.App. 657, 673 (2000). ²⁰ ld.

²¹ ld.

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The County and Yelm argue that this appeal is untimely because Petitioner failed to challenge the 1994 establishment of the Yelm UGA. This Board previously rejected this argument in the June 4, 2007 Order on Motion to Dismiss, in which the Board held that when the County chose to amend the population allocations for the Yelm UGA it necessarily raised the issue of whether the UGA was properly sized. Thus, based on the County's actions in amending the Yelm UGA population allocations, Petitioner may challenge the size of the Yelm UGA at the hearing on the merits. Accordingly, the Board reaffirms its holding and finds the appeal timely.

Effect of Compliance in 1000 Friends of Washington v. Thurston County (Case No. 05-2-0002)

Finally, the Board must address the effect to be given to this Board's Order Finding Compliance (UGAs) in *1000 Friends of Washington v. Thurston County*, Case No. 05-2-0002. In that case, following the County's filing of its Compliance Report for Urban Growth Areas, the Board held a compliance hearing in which Futurewise (formerly 1000 Friends of Washington) participated and during which Futurewise did not object to a finding of compliance. In the Board's May 29, 2008 Compliance Order, the Board found Thurston County Resolution No. 14034 and Ordinance No. 14035 amending the Thurston County Comprehensive Plan and Zoning Map complied with RCW 36.70A.110.

However, what is presently before the Board is neither Resolution No. 14034 nor Ordinance No. 14035. As Futurewise points out, the Yelm Comprehensive Plan Update was not before the Board in that case. Instead, the present appeal challenges a plan that was not amended to comply with the County's action in adopting Resolution 14034 and Ordinance 14035. The County and City concede that "Yelm's Comprehensive Plan needs to be modified to conform to Thurston County's Plan". Therefore, the Board's task in this appeal

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²² Joint Prehearing Brief of Thurston County and the City of Yelm, at 10. FINAL DECISION AND ORDER Case No. 07-2-0005

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is to determine whether, on the record created for the adoption of Resolution 13734, the Yelm/Thurston County Joint Plan complies with the GMA. ²³

Issues for Resolution

In its briefing for the Hearing on the Merits, Thurston County and Yelm did not respond to Futurewise's arguments on Legal Issues 1-6. Instead, the jurisdictions rely on the presumption that the Plan is valid, with the burden resting upon Futurewise to demonstrate a failure to comply with the GMA.²⁴ Therefore, the Board will determine if Futurewise has carried its burden of proof.

<u>Issue 1 - Alleged violation of RCW 36.70A.020 (1-2, 8-10, 12)</u>

As Futurewise points out, the Yelm/Thurston County Joint Plan, in its "Analysis of Land Supply vs. Demand, 2000-2025," all lands – residential, commercial, and industrial – have an excess in need acreage. Futurewise sets forth the following calculations: ²⁶

Land Type	2000 Supply	2000-2025	Excess	
	(acres)	Demand	Supply/Demand	
		(acres)		
Residential	3,144	1,594	97.24%	
Commercial	400	185	116.22%	
Industrial	251	22	1040.91%	

The County and City have not disputed these numbers.

The Court of Appeals noted in Diehl v. Mason County.²⁷

²³ See, RCW 36.70A.280(1)(a).

²⁴ RCW 36.70A.320.

²⁵ IR 21, at III-7.

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²⁶ Petitioners' HOM Brief, at 6, Table A.

 ²⁷ 94 Wn.App. 645, 653-54 (1999).
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Respondents cite to several previous Board decisions that held that the OFM projections are a cap on urban growth and that a UGA must not be larger than needed to support the OFM maximum population projection. Other provisions of the GMA and its WACs support this interpretation as well. One of the goals of the GMA is to "[r]educe the inappropriate conversion of undeveloped land into sprawling, low-density development." RCW 36.70A.020(2). If a county could enlarge UGAs to accommodate any population maximum it chose, then the result would likely be the urban sprawl the GMA is trying to avoid. And, further, WAC 365-195-335(3)(e)(v), which addresses requirements for setting UGAs, specifically states that the UGAs "should encompass a geographic area which *matches* the amount of land *necessary* to accommodate likely growth." (Emphasis added.) Accordingly, the OFM projection places a cap on the amount of land a county may allocate to UGAs.

It is undisputed that the Joint Plan approved by Resolution 13734 permitted land supplies 97% in excess of residential needs, 116% in excess of commercial needs, and 1040% in excess of industrial needs. The Board finds nothing in the record that demonstrates this supply of land is necessary to accommodate projected growth. Instead, such excess supply is likely to lead to the inappropriate conversion of undeveloped land into sprawling, low-density development in violation of RCW 36.70A.020(2).

Futurewise also argues that the sizing of the Yelm UGA violates Goal 1 because "urban growth is not being channeled into areas already served by infrastructure" yet provides no evidence in support of its argument. A bare assertion alone is not sufficient to carry Petitioner's burden of proof. While it is possible, and perhaps likely, that the Yelm UGA is not served by "infrastructure," the obligation was upon Futurewise to demonstrate this, and it has not done so. Therefore, Futurewise has failed to carry its burden to prove a violation of RCW 36.70A.020(1).

Futurewise's arguments regarding alleged violations of Goal 10 is that sprawl and large urban development harm terrestrial and aquatic environments. Futurewise relies on a

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²⁸ Futurewise Prehearing Brief at 9. FINAL DECISION AND ORDER Case No. 07-2-0005 July 28, 2008 Page 15 of 26

newspaper clipping concerning water quality in the south Puget Sound area,²⁹ an excerpt from the Puget Sound Action Team's "Literature Review and Analysis on Coastal Urbanization and Microbial Contamination of Shellfish Growing Areas,"³⁰ and an excerpt from the Environmental Protection Agency's "A Technical Review of the Interactions between Land Use, Transportation and Environmental Quality."³¹ However, although all of these documents address the impacts of urbanization on the environment, Futurewise fails to provide any argument on how the information presented within these documents relate to the particulars of the size, location or nature of the Yelm UGA. Such general, non-site specific arguments are insufficient to carry Futurewise's burden of proof and do not demonstrate a violation of RCW 36.70A.020 (10).

Futurewise presented no argument regarding how the excess supply of land violated goals 8, 9 or 12 of the GMA, as originally alleged in the Petition for Review and these claims are deemed abandoned.

Conclusion: The Joint Plan approved by Resolution 13734 permitted land supplies 97% in excess of residential needs, 116% in excess of commercial needs, and 1040% in excess of industrial needs. The Board finds nothing in the record that demonstrates this supply of land is necessary to accommodate projected growth. Instead, such excess supply is likely to lead to the inappropriate conversion of undeveloped land into sprawling, low-density development in violation of RCW 36.70A.020(2).

Futurewise has failed to carry its burden to prove a violation of RCW 36.70A.020(1), (8), (9), (10) or (12).

Issue 2 – Alleged violation of RCW 36.70A.040

²⁹ IR 20C.

³⁰ IR 20D.

31 IR 20F

FINAL DECISION AND ORDER Case No. 07-2-0005 July 28, 2008 Page 16 of 26 Within its argument, Futurewise cites only to RCW 36.70A.040(3)(c) which merely provides that a county shall "designate and take other actions" related to urban growth areas under RCW 36.70A.110. While Futurewise argues that large excesses of capacity over demand are not reasonable market factors, market factors are not mandatory under the GMA and, in fact, are addressed in RCW 36.70A.110. At the hearing on the merits, Futurewise conceded this issue was included merely to bolster its argument in Issue 4 with regard to RCW 36.70A.110. The Board finds that Futurewise has not demonstrated a violation of RCW 36.70A.040(3)(c) and notes that it is not necessary for Petitioners to allege each cross reference to a section of the GMA at issue as a separate violation of the statute.

Conclusion: Futurewise has not demonstrated a violation of RCW 36.70A.040(3)(c).

Issue 3 -- Alleged violation of RCW 36.70A.070(1)

Without identifying any particular portion of the land use element, ³² Futurewise asserts that the Land Use Element of the Yelm Comprehensive Plan Update "fails to provide the necessary guidance for corrective actions to mitigate or cleanse discharges that pollute waters of the State, including Puget Sound" in violation of the GMA.³³ As it argued with Issue 1, Futurewise asserts the size of the Yelm's UGA causes pollution of Puget Sound's waters. ³⁴ While RCW 36.70A.070(1) does, in fact, require such guidance, that requirement does not arise in the context of sizing UGAs. In fact, the applicable provision states (in pertinent part):

A land use element designating the proposed general distribution and general location and extent of the uses of land... The land use element shall include population densities, building intensities, and estimates of future population growth....Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges

³⁴ Id.

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³² Futurewise identifies the entire Land Use element as at issue.

³³ Futurewise Prehearing Brief at 11-12.

that pollute waters of the state, including Puget Sound or waters entering Puget Sound." RCW 36.70A.070(1)(emphasis added).

RCW 36.70A.070(1) requires information related to the sizing of the UGA to be included in the land use element and, where applicable, provisions for corrective actions to mitigate or cleanse those discharges that pollute the waters of the state, including Puget Sound. Futurewise does not claim that the County has failed to provide this information or the necessary provisions in the land use element, but argues that it is the size of the UGA that causes this pollution. ³⁵

Futurewise has failed to demonstrate a violation of RCW 36.70A.070(1). Furthermore, Issue 3 asks: "Does the adoption of Resolution 13734 without reducing the size of the Yelm Urban Growth Area fail to comply with 36.70A.070(1)?" The focus of this issue and this appeal is the size of the Yelm UGA. Futurewise does not challenge deficiencies in completing the requirements for the land use element, and any allegations concerning the deficiencies of that aspect of the plan are not before the Board

Conclusion: Futurewise has failed to demonstrate a violation of RCW 36.70A.070(1).

Issue 4 - Alleged violation of RCW 36.70A.110 (1) and (2)

As noted above, Resolution 13734 approved land supplies 97% in excess of residential needs, 116% in excess of commercial needs, and 1040% in excess of industrial needs. Futurewise's argument is founded in the proposition that a UGA may be sized in excess of the land needed to accommodate the OFM population projection so long as a reasonable market factor is set forth and explained by the jurisdiction. Market factors account for vagaries of the real estate market supply and at a minimum take into account that not all

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³⁵ In Issue 1 *supra*, the Board found that Futurewise has not linked the size of Yelm's UGA to the causes of Puget Sound pollution.

land suitable for development will be available for development in the 20-year planning horizon.

While not stated as "market factors," these excess supplies over demand for land are substantially beyond that amount needed to accommodate the OPM population chosen for by Thurston County and the City of Yelm. As pointed out by Futurewise, a team of economists and planners hired by the County to review the Thurston Regional Planning Council (TRPC) Buildable Lands Model concluded:

As a preliminary step, we recommend that TRPC utilize no higher than a 10% market factor for vacant lands and no higher than a 15% market factor for underutilized lands. The market factors reflect the differences in difficulty in developing vacant and underutilized lands. ³⁶

While the Board does not conclude from this recommendation that the County or City were required to adopt the recommendations of its consultant team, there is nothing in the record to support the high percentage of excess lands that it did adopt. As the Court in *Diehl* held, "Although a county may enlarge a UGA to account for a 'reasonable land supply market factor' it must also explain why this market factor was used and how it was reached." This Thurston County has failed to do and therefore, the sizing of the Yelm UGA is not supported by the Record before the Board in regard to Resolution 13734. An improperly sized UGA, especially one in excess of the projected need, violates RCW 36.70A.110 which requires UGAs to be sufficient to accommodate 20 years of growth at urban levels.

Conclusion: The Yelm UGA, as addressed in Resolution 13734 violates RCW 36.70A.110(1) and (2).

Issue 5 - Alleged violation of RCW 36.70A.115 RCW 36.70A.115 provides:

³⁶ IR 20.

Diehl at 654.
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Counties and cities that are required or choose to plan under RCW 36.70A.040 shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, as adopted in the applicable countywide planning policies and consistent with the twenty-year population forecast from the office of financial management.

Futurewise's argument appears to be that just as RCW 36.70A.110 limits the size of UGAs, so too does 36.70A.115 and that a demonstration of a violation of the former proves a violation of the latter. As the Board noted in *Friends of Skagit County v. Skagit County*,

"The Board reads RCW 36.70A.115 as requiring a coordinated effort between a county and its cities to ensure that the adoption of subsequent amendments to comprehensive plans and development regulations, when taken collectively, will not adversely impact the supply of land needed to address allocated housing and employment growth for which the County and cities have planned." ³⁸

Thus, RCW 36.70A.115 is not merely a restatement of 36.70A.110. This provision of the GMA seeks regional coordination, which the Yelm/Thurston County Joint Plan reflects.

Conclusion: Futurewise has failed to demonstrate that the County violated RCW 36.70A.115.

Issue 6 - Alleged violation of RCW 36.70A.120

Issue 6 has been abandoned by the Petitioner.

Issue 7 - Alleged violation of RCW 36.70A.130(1)(a)

Futurewise alleges a violation of RCW 36.70A.130(1)(a). This provision pertains to the obligation to update plans and development regulations every seven years. Futurewise's reliance is apparently based on the first Finding of the Resolution that states, in part,

³⁸ WWGMHB No. 07-2-0025c, Order on Motion for Reconsideration, 6/18/08.

"Periodic amendments to plans in order to maintain GMA compliance are authorized by RCW 36.70A.130." RCW 36.70A.130 sets out two kinds of amendment processes. The Board explained this in *1000 Friends and ProWhatcom*, WWGMHB Case No. 04-2-0010:

This provision of the GMA (RCW 36.70.130) contains two major kinds of revision requirements for comprehensive plans and development regulations. First, comprehensive plans and development regulations adopted pursuant to Ch. 36.70A RCW are subject to "continuing review and evaluation".

While there is no express requirement that this be done every year, this type of review is usually done in an annual comprehensive amendment cycle, RCW 36.70A.130(2)(a). The amendments adopted under this process may be appealed to the boards to determine whether the adopted amendments comply with the GMA; but these types of amendments are not required to ensure that the local jurisdiction's entire comprehensive plan and development regulations comply with all the provisions of the GMA.

"Updates", on the other hand, require a review and revision, if needed, of both the comprehensive plan and the development regulations to ensure their compliance with the GMA, according to a staggered schedule set out in RCW 36.70A.130(4): "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the time periods specified in subsection (4) of this section...

An update requires that counties and cities review and revise, as needed, their plans and regulations, to ensure compliance with the GMA. RCW 36.70A.130(1)(a) and (2)(a) (in part). ...³⁹

RCW 36.70A. 130 (2)(b) also specifies the meaning of the legislative action required by RCW 36.70A.130(1)(a):

Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.

However, no language in Resolution 13734 suggests this enactment was a seven year update to a comprehensive plan under that provision of the GMA. The County denied at the

hearing on the merits that it was such. The County asserted that their update required by RCW 36.70A.130(1)(a) was completed in 2004, and was the subject of the appeal in *1000 Friends v. Thurston County*, WWGMHB Case No.05-2-0002. Futurewise has failed to demonstrate that Resolution 13734 was adopted pursuant to RCW 36.70A.130(1)(a) and consequently has not proven a violation of that section.

Conclusion: Futurewise has failed to demonstrate that Resolution 13734 violates RCW 36.70A.130(1)(a).

VI. FINDINGS OF FACT

- 1. Thurston County is a county located west of the crest of the Cascade Mountains that is required to plan pursuant to RCW 36.76A.040.
- 2. On December 20, 2006 the County adopted Resolution 13734, amending the Comprehensive Plan for Thurston County and the joint plan with the City of Yelm.
- 3. Futurewise participated in the proceedings to adopt Resolution 13374 and its standing has not been challenged.
- 4. On February 16, 2007 Petitioners filed a timely appeal.
- 5. Resolution 13734 approved land supplies 97% in excess of residential needs, 116% in excess of commercial needs and 1040% in excess of industrial needs.
- 6. The sole comments of the Adams Cove Group, during the adoption process of Resolution 13734 were in letters that stated:

"The Yelm/TC joint plan amendments look good. Population growth in Yelm was not managed well at first – something we can all acknowledge, especially if you happen to live in Yelm – but this is often the case when land rushes and outside interests cause explosive and unexpected land rushes. The proposed plan seems to be making the best of it." (dated September 20, 2006)

And

"It looks good." (dated November 28, 2006)

- 7. This Board held in the June 4, 2007 Order on Motion to Dismiss, that when the County chose to amend the population allocations for the Yelm UGA, it necessarily raised the issue of whether the UGA was properly sized.
- 8. The present appeal challenges the adoption of Resolution 13734, a plan that was not amended to comply with the County's action in adopting Resolution 14034 and Ordinance 14035.
- 9. The Yelm/Thurston Joint Plan approved by Resolution 13734 permitted land supplies 97% in excess of residential needs, 116% in excess of commercial needs, and1040% in excess of industrial needs.
- 10. Futurewise fails to provide any argument on how the information presented within a newspaper clipping concerning water quality in the south Puget Sound area, ⁴⁰ an excerpt from the Puget Sound Action Team's "Literature Review and Analysis on Coastal Urbanization and Microbial Contamination of Shellfish Growing Areas," ⁴¹ and an excerpt from the Environmental Protection Agency's "A Technical Review of the Interactions between Land Use, Transportation and Environmental Quality relate to the particulars of the size, location or nature of the Yelm UGA.
- 11. Futurewise does not claim that the County has failed to provide the needed information or required provisions of a land use element.
- 12. No language in Resolution 13734 suggests this enactment was a seven year update to a comprehensive plan under that provision of the GMA.
- 13. Issue 6 has been voluntarily abandoned by Petitioners.
- 14. Any Finding of Fact later determined to be a Conclusion of Law is adopted as such.

VII. CONCLUSIONS OF LAW

- A. The Board has jurisdiction over the parties to this action.
- B. The Board has jurisdiction over the subject matter of this action

⁴⁰ IR 20C.

IR 20D.
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- C. Petitioner Futurewise has standing to raise the issues in this case pursuant to RCW 36.70A.280(2).
- D. Petitioner Adams Cove Group lacks participation standing pursuant to RCW 36.70A.280(2)
- E. Based on the County's actions in amending the Yelm UGA population allocations, Futurewise may challenge the size of the Yelm UGA. The appeal is timely pursuant to RCW 36.70A.290(2).
- F. The Board's Order Finding Compliance (UGAs) in *1000 Friends of Washington v.*Thurston County, Case No. 05-2-0002 does not preclude the present appeal where the issue is Resolution 13734 and its compliance with the GMA.
- G. The excess supply of residential, commercial and industrial land provided for in Resolution 13734 is likely to lead to the inappropriate conversion of undeveloped land into sprawling, low-density development in violation of RCW 36.70A.020(2).
- H. Futurewise has failed to carry its burden to prove a violation of RCW 36.70A.020(1), (8), (9), (10) or (12).
- I. Futurewise has not demonstrated a violation of RCW 36.70A.040(3)(c).
- J. Futurewise has failed to demonstrate a violation of RCW 36.70A.070(1).
- K. The Yelm UGA, as addressed in Resolution 13734 violates RCW 36.70A.110(1) and (2).
- L. Futurewise has failed to demonstrate that the County violated RCW 36.70A.115.
- M. Futurewise has failed to demonstrate that Resolution 13734 violates RCW 36.70A.130(1)(a).
- N. Any Conclusion of Law later determined to be a Finding of Fact is adopted as such.

VIII. ORDER

Based on the foregoing, the City/County is ordered to bring the Yelm/Thurston Joint Plan into compliance with the Growth Management Act pursuant to this decision within 180 days.

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Compliance shall be due no later than January 28, 2009. The following schedule for compliance, briefing and hearing shall apply:

Item	Date Due
Compliance Due	January 28, 2009
Compliance Report and Index to	February 11, 2009
Compliance Record	
Objections to a Finding of Compliance	March 4, 2009
Response to Objections	March 25, 2009
Compliance Hearing	April 8, 2009

DATED this 28th day of July, 2008.

James McNamara, Board Member
Holly Gadbaw, Board Member
William Roehl, Board Member

Pursuant to RCW 36.70A.300 this is a final order of the Board.

Reconsideration. Pursuant to WAC 242-02-832, you have ten (10) days from the mailing of this Order to file a petition for reconsideration. Petitions for reconsideration shall follow the format set out in WAC 242-02-832. The original and three copies of the petition for reconsideration, together with any argument in support thereof, should be filed by mailing, faxing or delivering the document directly to the Board, with a copy to all other parties of record and their representatives. Filing means actual receipt of the document at the Board office. RCW 34.05.010(6), WAC 242-02-330. The filing of a petition for reconsideration is not a prerequisite for filing a petition for judicial review.

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<u>Judicial Review</u>. Any party aggrieved by a final decision of the Board may appeal the decision to superior court as provided by RCW 36.70A.300(5). Proceedings for judicial review may be instituted by filing a petition in superior court according to the procedures specified in chapter 34.05 RCW, Part V, Judicial Review and Civil Enforcement. The petition for judicial review of this Order shall be filed with the appropriate court and served on the Board, the Office of the Attorney General, and all parties within thirty days after service of the final order, as provided in RCW 34.05.542. Service on the Board may be accomplished in person, by fax or by mail, but service on the Board means actual receipt of the document at the Board office within thirty days after service of the final order.

<u>Service.</u> This Order was served on you the day it was deposited in the United States mail. RCW 34.05.010(19)